



Distillate Watch

September 9, 1999

Energy Information Administration
Office of Oil & Gas

SUPPLY

- Total distillate stocks of 141.1 million barrels (MMB) were off just 0.5 MMB from a week ago, but diesel inventory showed a more significant 2.6 MMB decline, to 67.7 MMB on September 3, 1999. Production patterns differed, with production at 3.3 million barrels per day (MMBD), off 140,000 barrels per day (BD) on reductions in all PADDs. Diesel production showed its expected seasonal decline heading into early autumn. Diesel output was just 2.2 MMBD, off 214,000 BD over the week ending September 3.
- This week, U.S. crude oil input was 15.6 MMBD with refiners utilizing 98.3 percent of their 16.0 MMBD operating capacity.

Distillate Production by Petroleum Administration for Defense District (Thousand Barrels per Day)

District	Total Distillate Week Ending					Low Sulfur (0.05% or less Sulfur) Week Ending				
	08/13/99	08/20/99	08/27/99	09/03/99	09/04/98	08/13/99	08/20/99	08/27/99	09/03/99	09/04/98
East Coast (PADD I)	432	469	528	453	489	237	233	255	253	209
Midwest (PADD II)	862	833	819	808	801	651	615	645	586	553
Gulf Coast (PADD III)	1,566	1,496	1,454	1,418	1,570	1,012	945	1,026	914	1,072
Rocky Mountain (PADD IV)	161	154	156	155	132	134	121	131	118	104
West Coast (PADD V)	493	513	508	491	484	387	389	406	378	391
U.S. Total	3,514	3,465	3,465	3,325	3,476	2,421	2,303	2,463	2,249	2,329

Distillate Stocks by Petroleum Administration for Defense District (Million Barrels)

District	Total Distillate Week Ending					Low Sulfur (0.05% or less Sulfur) Week Ending				
	08/13/99	08/20/99	08/27/99	09/03/99	09/03/98	08/13/99	08/20/99	08/27/99	09/03/99	09/03/98
East Coast (PADD I)	65.6	67.7	69.6	68.6	71.0	20.0	20.6	21.1	19.5	19.9
PADD IX	15.3	15.7	16.3	16.2	NA	2.0	2.0	2.2	1.8	NA
PADD IY	38.6	39.0	40.3	39.8	NA	10.9	11.2	10.9	9.9	NA
PADD IZ	11.7	12.9	13.0	12.7	NA	7.1	7.4	8.0	7.7	NA
Midwest (PADD II)	29.8	29.4	28.9	29.2	33.9	20.2	20.2	19.8	20.0	24.0
Gulf Coast (PADD III)	29.2	29.0	29.6	29.3	31.2	18.7	18.6	18.6	17.5	18.1
Rocky Mountain (PADD IV)	2.5	2.5	2.6	2.8	2.8	2.1	2.1	2.2	2.3	2.4
West Coast (PADD V)	10.6	11.2	11.0	11.3	10.5	8.3	8.6	8.6	8.5	7.7
U.S. Total	137.6	139.7	141.6	141.1	149.3	69.3	70.0	70.3	67.7	72.0

* See the *Weekly Petroleum Status Report* Appendix A for a description of the derivation of average inventory levels.

For information about distillate supply data, contact the National Energy Information Center at (202)586-8800. Internet: Infoctr@eia.doe.gov.

Source: Energy Information Administration, *Weekly Petroleum Status Report* (WPSR). Year-ago production data taken from comparable week last year; year-ago stock data interpolated from final Petroleum Supply Monthly data.

PRICES

- Gasoline led advancing petroleum prices just ahead of the 3-day holiday weekend. Crude oil spot prices regained the leadership role the following session as the possibility of a prolonged strike by oil workers in Venezuela emerged. The New York Harbor spot price for low sulfur diesel was 60.20 cents per gallon on September 7, 1999, up 1.85 cents per gallon.
- Since the first week in June, the national average retail on-highway diesel fuel price has risen almost 14 cents. The average as of September 6, 1999 stood at 119.8 cents per gallon, 18.9 cents higher than last year, even though prices kept falling in California. Given a forecast for an increase in world crude oil prices and the start of the winter heating season, diesel prices are expected to continue to rise through the end of the year.

No. 2 Distillate Spot Prices by City (Cents per Gallon)

City	Low-Sulfur Distillate					High-Sulfur Distillate				
	08/16/99	08/23/99	08/30/99	09/07/99	09/08/98	08/16/99	08/23/99	08/30/99	09/07/99	09/08/98
New York	56.53	58.96	58.35	¹ 60.20	41.21	54.35	57.33	56.95	¹ 58.60	38.01
Chicago	59.73	62.11	61.58	¹ 63.85	41.99	NA	NA	NA	NA	NA
Houston	56.50	58.88	57.85	¹ 60.10	39.74	52.80	55.38	55.30	¹ 56.58	36.74
Los Angeles (CARB)	67.50	68.75	68.00	¹ 66.50	47.00	NA	NA	NA	NA	NA

Source: Reuters Information Services.

¹Spot prices as of September 7, 1999, due to Labor Day holiday.

No. 2 Distillate Retail Prices by Petroleum Administration for Defense District (Cents per Gallon, Including Taxes*)

District	On-Highway Diesel Fuel					Residential Heating Oil				
	08/16/99	08/23/99	08/30/99	09/06/99	09/07/98	08/16/99	08/23/99	08/30/99	09/06/99	09/07/98
East Coast (PADD I)	114.7	116.0	117.1	117.5	100.4	<div>Prices Available During Heating Season Only (October through March)</div>				
PADD Ix	118.9	119.9	120.5	120.7	106.6					
PADD Iy	121.5	122.5	123.2	123.8	107.8					
PADD Iz	111.4	112.9	114.2	114.5	96.7					
Midwest (PADD II)	115.3	116.4	117.4	118.2	99.1					
Gulf Coast (PADD III)	113.9	114.2	115.4	116.3	98.3					
Rocky Mountain (PADD IV)	126.0	127.5	129.0	129.5	107.8					
West Coast (PADD V)	136.4	135.3	133.6	132.2	109.0					
California	149.3	147.3	144.1	142.3	115.7					
U.S. Average**	117.8	118.6	119.4	119.8	100.9					

Source: Diesel Fuel prices: Energy Information Administration, Form EIA-888, On-Highway Diesel Price Survey; Residential Heating Oil prices for PADDs I and II: from data supplied by 21 State Energy Offices (SHOPP prices) from October through mid-March.

* Taxes, if any, are not included in residential heating oil prices.

** Residential heating oil average is for PADDs I and II only.

NA =Not Available.

For information about distillate spot and diesel fuel retail price data, contact the National Energy Information Center: 202-586-8800; Internet: Infoctr@eia.doe.gov.